

## Message Text

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PAGE 01     BERN 03233 201222Z

42

ACTION EUR-12

INFO OCT-01 AF-08 IO-13 ISO-00 SP-02 USIA-06 AID-05 EB-07

NSC-05 CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03

LAB-04 SIL-01 L-03 H-02 PA-01 PRS-01 /108 W

----- 074587

R 201122Z JUL 76

FM AMEMBASSY BERN

TO SECSTATE WASHDC 2903

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY PRETORIA

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION GENEVA

USDEL MTN GENEVA

AMCONSUL ZURICH

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PASS TREASURY AND FRB

EO 11652: NA

TAGS: EGEN SZ

SUBJ: GOLD: PURCHASE BY SWISS NATIONAL BANK AT IMF AUCTION

REF: BERN 690

1. SWISS NATIONAL BANK AND COMMERCIAL BANKING SOURCES CONFIRM

THAT SNB BOUGHT ABOUT 40,000 OUNCES AT A PRICE OF \$222.05.

SUCCESSFUL BIDDERS WERE ALLOCATED 70 PERCENT OF THE AMOUNTS

THEY BID FOR. SHORT-RUN PROJECTION IS THAT THE PRICE WILL

CONTINUE TO DECLINE; IT CLOSED ON FRIDAY JULY 16 AT 117.75;

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PAGE 02     BERN 03233 201222Z

PROBABLY TO A LEVEL BELOW \$110, BECAUSE IN ADDITION TO IMF SALES

THE SOVIETS ARE SELLING UNUSUALLY LARGE QUANTITIES  
AND PRIVATE HOLDERS HAVE BEGUN TO DIVEST THEMSELVES  
OF THEIR GOLD HOLDINGS.

2. EMBASSY COMMENT: IF THE GOLD PRICE DOES FALL MUCH  
FURTHER, IT WILL DROP BELOW THE LEVEL REQUIRED TO  
SECURE SOME OUTSTANDING GOLD-GUARANTEED LOANS, SUCH  
AS THE ONE TO PORTUGAL (BERN 690). THERE IS GROWING  
CRITICISM OF THE METHOD OF IMF SALES AND THEIR  
ATTENDANT PUBLICITY. ONE SOURCE HAS SUGGESTED THAT  
IT WOULD BE FAR BETTER IF THE IMF SOLD SMALL AMOUNTS  
QUIETLY AND MORE FREQUENTLY.  
ODELL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CENTRAL BANK, GOLD, GOVERNMENT PROCUREMENT, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976BERN03233  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760278-1072  
**From:** BERN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760742/aaaabkph.tel  
**Line Count:** 74  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 BERN 690  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 05 APR 2004  
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**Review Exemptions:** n/a  
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04 MAY 2006

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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOLD: PURCHASE BY SWISS NATIONAL BANK AT IMF AUCTION  
**TAGS:** EGEN, EFIN, SZ, PO, SWISS NATIONAL BANK  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006